



CITY OF LODI COUNCIL COMMUNICATION

AGENDA TITLE: Conduct a Public Hearing to Consider Introduction of Ordinance Amending Chapter 13.20 "Electrical Service" Section 175 Titled Schedule ECA – Energy Cost Adjustment

MEETING DATE: August 17, 2011

PREPARED BY: Electric Utility Director


RECOMMENDED ACTION: Conduct a public hearing to consider introduction of ordinance amending Chapter 13.20 "Electrical Service" section 175 titled Schedule ECA – Energy Cost Adjustment.

BACKGROUND INFORMATION: The original ECA ordinance required that the ECA be reviewed by the Budget and Finance Committee (BFC) each month. Since the BFC has since been disbanded, the ECA ordinance should be revised to remove this requirement.

The accuracy of the calculation of the ECA will continue to be reviewed by the Electric Utility Director, Rates and Resources Manager and Deputy City Manager each month.

FISCAL IMPACT: This change will have no fiscal impact on the Electric Utility.

FUNDING: None required.


Elizabeth A Kirkley
Electric Utility Director

PREPARED BY: Kevin Bell, Electric Rate Analyst

EAK/KPB/lst

APPROVED: 

Konradt Bartlam, City Manager

CITY OF LODI

ELECTRIC UTILITY DEPARTMENT

SCHEDULE ECA

ENERGY COST ADJUSTMENT

APPLICABILITY:

This schedule is applicable to all electric customers served by the City of Lodi. Each customer shall pay the applicable rate plus an Energy Cost Adjustment (ECA) for each kilowatt-hour (kWh) delivered to the customer. The adjustment shall be the product of the total kilowatt-hours (kWh) for which the bill is rendered times the ECA amount per kWh.

The purpose of the ECA is to adjust for increases/decreases to the City of Lodi's wholesale energy costs. This adjustment provides a mechanism to recover increased costs for wholesale energy or to lower collections when costs decrease below the base charge level.

RATES:

Effective July 6, 2007, the ECA billing factor for any given month shall be calculated as follows:

$$ECA = \frac{(a) + (b) - (c)(d+f) - (9)}{(e)}$$

Where:

- (a) equals the amount the City of Lodi is actually charged by the Northern California Power Agency for the billing month, including adjustments for prior billing periods, less any third party revenue credits.
- (b) equals the City of Lodi's estimated costs related to the acquisition of wholesale power, both financial and physical, procured directly by the City for the billing month, including adjustments for prior billing periods.
- (c) equals the difference between actual retail energy sales and projected sales levels for the month which is two (2) months prior to the billing month.
- (d) equals the ECA billing factor for the month which is two (2) months prior to the billing month.
- (e) equals the forecast of projected retail energy sales for the billing month.
- (9) equals the baseline energy cost for the City of \$0.0831.

The City of Lodi will recalculate the ECA each month, and resulting amount shall be automatically implemented for bills rendered during the following billing month. The ECA shall not be discounted.

ORDINANCE NO. _____

AN ORDINANCE OF THE LODI CITY COUNCIL AMENDING
LODI MUNICIPAL CODE CHAPTER 13.20, "ELECTRICAL
SERVICE," BY REPEALING AND REENACTING SECTION
13.20.175 – SCHEDULE ECA – ENERGY COST
ADJUSTMENT

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BE IT ORDAINED BY THE LODI CITY COUNCIL AS FOLLOWS:

SECTION 1. Lodi Municipal Code Section 13.20.175 – "Schedule ECA – Energy Cost Adjustment" is hereby repealed and reenacted to read as follows:

APPLICABILITY:

This schedule is applicable to all electric customers served by the City of Lodi. Each customer shall pay the applicable rate plus an Energy Cost Adjustment (ECA) for each kilowatt-hour (kWh) delivered to the customer. The adjustment shall be the product of the total kilowatt-hours (kWh) for which the bill is rendered times the ECA amount per kWh.

The purpose of the ECA is to adjust for increases/decreases to the City of Lodi's wholesale energy costs. This adjustment provides a mechanism to recover increased costs for wholesale energy or to lower collections when costs decrease below the base charge level.

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Where:

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(b) equals the City of Lodi's estimated costs related to the acquisition of wholesale power, both financial and physical, procured directly by the City for the billing month, including adjustments for prior billing periods.

(c) equals the difference between actual retail energy sales and projected sales levels for the month which is two (2) months prior to the billing month.

(d) equals the ECA billing factor for the month which is two (2) months prior to the billing month.

(e) equals the forecast of projected retail energy sales for the billing month.

(f) equals the baseline energy cost for the City of \$0.0831.

The City of Lodi will recalculate the ECA each month, and resulting amount shall be automatically implemented for bills rendered during the following billing month. The ECA shall not be discounted.

SECTION 2. No Mandatory Duty of Care. This ordinance is not intended to and shall not be construed or given effect in a manner which imposes upon the City, or any officer or employee thereof, a mandatory duty of care towards persons or property within the City or outside of the City so as to provide a basis of civil liability for damages, except as otherwise imposed by law.

SECTION 3. Severability. If any provision of this ordinance or the application thereof to any

person or circumstances is held invalid, such invalidity shall not affect other provisions or applications of the ordinance which can be given effect without the invalid provision or application. To this end, the provisions of this ordinance are severable. The City Council hereby declares that it would have adopted this ordinance irrespective of the invalidity of any particular portion thereof.

SECTION 4. All ordinances and parts of ordinances in conflict herewith are repealed insofar as such conflict may exist.

SECTION 5. This ordinance shall be published pursuant to law and shall become effective 30 days from the date of passage and adoption.

SECTION 6. The amended Schedules referenced above shall be effective on applicable electric utility billings prepared by the City of Lodi on or after November 1, 2011, or the first date allowable under State law.

Approved this ____ day of _____, 2011

BOB JOHNSON
MAYOR

ATTEST:

RANDI JOHL
City Clerk

State of California
County of San Joaquin, ss.

I, Randi Johl, City Clerk of the City of Lodi, do hereby certify that Ordinance No. ____ was introduced at a regular meeting of the City Council of the City of Lodi held August 17, 2011, and was thereafter passed, adopted, and ordered to print at a regular meeting of said Council held _____, 2011, by the following vote:

AYES: COUNCIL MEMBERS –

NOES: COUNCIL MEMBERS –

ABSENT: COUNCIL MEMBERS –

ABSTAIN: COUNCIL MEMBERS –

I further certify that Ordinance No. ____ was approved and signed by the Mayor on the date of its passage and the same has been published pursuant to law.

RANDI JOHL
City Clerk

Approved to Form:

D. STEPHEN SCHWABAUER
City Attorney



*Please immediately confirm receipt
of this fax by calling 333-6702*

CITY OF LODI
P. O. BOX 3006
LODI, CALIFORNIA 95241-1910

ADVERTISING INSTRUCTIONS

SUBJECT: PUBLIC HEARING TO CONSIDER INTRODUCING AN ORDINANCE
AMENDING CHAPTER 13.20 - ELECTRICAL SERVICE - SECTION 175
TITLED, "SCHEDULE ECA - ENERGY COST ADJUSTMENT" and
INTRODUCING AN ORDINANCE AMENDING CHAPTER 13.20 -
ELECTRICAL SERVICE - SECTION 200 TITLED, "SCHEDULE ED -
RESIDENTIAL SHARE PROGRAM SERVICE"

PUBLISH DATE: SATURDAY, AUGUST 6, 2011


LEGAL AD

TEAR SHEETS WANTED: One (1) please

SEND AFFIDAVIT AND BILL TO: RANDI JOHL, CITY CLERK
City of Lodi
P.O. Box 3006
Lodi, CA 95241-1910

DATED: THURSDAY, AUGUST 4, 2011

ORDERED BY: RANDI JOHL
CITY CLERK


JENNIFER M. ROBISON, CMC
ASSISTANT CITY CLERK

MARIA BECERRA
ADMINISTRATIVE CLERK

Verify Appearance of this Legal in the Newspaper - Copy to File

Faxed to the Sentinel at 369-1084 at _____ (time) on _____ (date) _____ (pages)
LNS _____ Phoned to confirm receipt of all pages at _____ (time) _____ JMP _____ MB _____ CF (initials)



DECLARATION OF POSTING

**PUBLIC HEARING TO CONSIDER INTRODUCING AN ORDINANCE AMENDING
CHAPTER 13.20 – ELECTRICAL SERVICE – SECTION 175 TITLED, “SCHEDULE
ECA – ENERGY COST ADJUSTMENT” and INTRODUCING AN ORDINANCE
AMENDING CHAPTER 13.20 – ELECTRICAL SERVICE – SECTION 200 TITLED,
“SCHEDULE ED – RESIDENTIAL SHARE PROGRAM SERVICE”**

On Friday, August 5, 2011, in the City of Lodi, San Joaquin County, California, a Notice of Public Hearing to consider introducing an ordinance amending Chapter 13.20 – Electrical Service – Section 175 titled, “Schedule ECA – Energy Cost Adjustment” and introducing an ordinance amending Chapter 13.20 – Electrical Service – Section 200 titled, “Schedule ED – Residential SHARE Program Service” (attached and marked as Exhibit A) was posted at the following locations:


Lodi Public Library
Lodi City Clerk's Office
Lodi City Hall Lobby
Lodi Carnegie Forum

I declare under penalty of perjury that the foregoing is true and correct.

Executed on August 5, 2011, at Lodi, California.

ORDERED BY:

RANDI JOHL
CITY CLERK


JENNIFER M. ROBISON, CMC
ASSISTANT CITY CLERK

MARIA BECERRA
ADMINISTRATIVE CLERK



CITY OF LODI

Carnegie Forum
305 West Pine Street, Lodi

NOTICE OF PUBLIC HEARING

Date: August 17, 2011

Time: 7:00 p.m.

For information regarding this notice please contact:

Randi Johl
City Clerk
Telephone: (209) 333-6702

EXHIBIT A

NOTICE OF PUBLIC HEARING

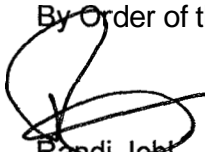
NOTICE IS HEREBY GIVEN that on **Wednesday, August 17, 2011**, at the hour of 7:00 p.m., or as soon thereafter as the matter may be heard, the City Council will conduct a public hearing at the Carnegie Forum, 305 West Pine Street, Lodi, to consider the following matter:

- a) **Introduce ordinance amending Chapter 13.20 – Electrical Service – Section 175 titled, “Schedule ECA – Energy Cost Adjustment”**
- b) **Introduce ordinance amending Chapter 13.20 – Electrical Service – Section 200 titled, “Schedule ED – Residential Share Program Service”**

Information regarding this item may be obtained in the Electric Utility Department, 1331 South Ham Lane, Lodi, (209) 333-6762. All interested persons are invited to present their views and comments on this matter. Written statements may be filed with the City Clerk, City Hall, 221 West Pine Street, 2nd Floor, Lodi, 95240, at any time prior to the hearing scheduled herein, and oral statements may be made at said hearing.

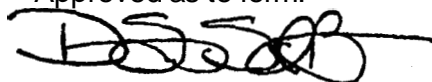
If you challenge the subject matter in court, you may be limited to raising only those issues you or someone else raised at the public hearing described in this notice or in written correspondence delivered to the City Clerk, 221 West Pine Street, at or prior to the close of the public hearing.

By Order of the Lodi City Council:


Randi Johl
City Clerk

Dated: August 3, 2011

Approved as to form:



D. Stephen Schwabauer
City Attorney